

US settles biggest ever healthcare fraud case

Fred Charatan *Florida*

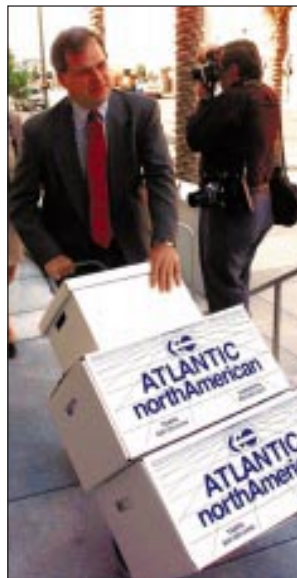
The healthcare company HCA has agreed to plead guilty to criminal conduct and pay more than \$840m (£560m) in criminal fines, civil penalties, and damages for alleged unlawful billing practices (3 June, p 1492). US Attorney General Janet Reno announced the settlement with the firm, formerly known as Columbia/HCA, at the justice department last month after a seven year federal investigation triggered by private whistleblowers.

"This investigation has been the largest multiagency investigation of a healthcare provider ever undertaken by the US and reflects our commitment to vigorously pursuing all types of healthcare fraud," she said.

HCA admitted to a long list of charges, including submitting

inflated bills and expenses to the government for payment; exaggerating the seriousness of diagnoses to increase Medicare reimbursement; illegally structuring business deals so that Medicare picked up the cost of corporate expenses; and providing doctors with kickbacks for patient referrals.

HCA also gave other inducements to win favour from doctors, such as free rent and office refurbishment and free drugs from hospital pharmacies. One of HCA's most controversial business practices involved providing partnership investments in company hospitals for doctors, who could then refer patients to them. The programme was abandoned in 1997 when Thomas Frist Jr, the brother of US Repub-



An FBI agent with boxes of evidence against the firm

lican Senator Bill Frist of Tennessee, took over as chief executive from Richard L. Scott, the

founder of Columbia/HCA.

In addition to the monetary penalties, June Gibbs Brown, inspector general of health and human services, said that HCA is entering into a corporate integrity agreement with her department requiring the company to engage in considerable compliance efforts over the next eight years. The agreement calls in part for enhanced reviews and audits of its inpatient coding, laboratory billing, hospital outpatient billing, and financial relationships with doctors. Dr Frist, chairman and chief executive officer of HCA, said the settlement would help to "allow us to move forward, maintaining our focus on providing quality patient care."

Attorney General Janet Reno said at a news conference that the guilty plea would send an important signal to the healthcare industry. "Health care fraud impacts every American citizen. If you overbill the US taxpayer, then we are going to make you pay it back and then some." □

UK plans shake-up of mental health laws

Clare Dyer *legal correspondent, BMJ*

Government proposals for new powers to lock up dangerous people with severe personality disorders in England and Wales, even if they have committed no crime, have been unveiled by the health minister, Alan Milburn. The controversial plans would allow indefinite detention for the small group formerly known as psychopaths, as part of a package billed as the biggest shake-up of mental health law for 40 years.

The last full review of mental health services took place in the 1950s and led to the Mental Health Act 1983. A white paper proposes radical reform of the act, in the wake of advances in drug treatments and a policy change which has seen large numbers of psychiatric patients dispersed from long stay institutions into the community.

The government plans a new framework for the use of compulsory care and treatment powers. Patients will have full assessments and formal care plans, which will take into account any risk they pose to other people.

The proposals will provide for compulsory treatment in the community, plugging the current loophole whereby doctors had to wait till a patient was ill enough to be admitted to hospital before imposing treatment. New care and treatment orders will apply to patients in the community as well as in hospital, but to reassure mental health charities there will be no powers to give medication forcibly outside a clinical setting. Patients in the community who refuse to comply with treatment orders will be able to be re-admitted to hospital.

The government is considering a "campus-style" special hospital with a number of small units for up to 2000 dangerous people with severe personality disorders. Concern over the risks posed by this small group came to a head in 1996 when Michael Stone, diagnosed several years before as having a severe personality disorder, bludgeoned Lin Russell and her 6 year old daughter Megan to death in the fields near their home. (See p 2.) □

Polish nurses strike for better wages

Carl Kovac *Budapest*

Thousands of nurses in Poland are entering the second month of their strike for better wages. The national union of nurses and midwives has reported that nurses at 154 healthcare facilities have stopped caring for patients.

The union has asked the government for a minimum gross monthly wage of 1400 zloty (£499; \$332). Polish nurses currently earn an average of 700 zloty a month. The average monthly wage in Poland is 2000 zloty. The health minister, Grzegorz Opala, said that nurses' wages will be increased by at least 203 zloty this year. The head of the nurses and midwives' union, Bożena Banachowicz, called the increase unsatisfactory.

Mr Opala said that the government is ready to discuss professional training and improvement schemes for nurses but has done "what was expected of it" regarding wage hikes.

Ms Banachowicz said, "We know there is not enough money in the health service but we also believe it should be spent more wisely."

The nurses don't trust the government: in July 1999 the government promised to increase nurses' pay by 2% above inflation in April 2000 but failed to do so.

Nurses say it is nearly impossible to live on their salaries. Nurse Anna Manes, who travels 100 kilometres from Lodz to Warsaw every day to participate in the demonstrations, said that she knows several colleagues who have taken loans to feed and clothe their children. "Those who can, rely on their parents for help, but those without parents face a real tragedy," Ms Manes, who is married with two sons, said.

The strike began as work stoppages and hunger strikes at several hospitals. They escalated to blockages of major roads, border crossings, and the railway line from Berlin to Moscow. About 400 nurses from Mazowsze province in central Poland have occupied the Health Ministry in Warsaw. During one scuffle with Police in Warsaw a striking nurse sustained a broken arm. □